



## **COUNCIL SUBCOMMITTEE ON ECONOMIC DEVELOPMENT**

### **SUMMARIZED MINUTES**

Tuesday, September 18, 2012

3:00 p.m.

City Hall, Kiva Conference Room  
3939 N. Drinkwater Blvd, Scottsdale, AZ 85251

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- PRESENT:** Mayor W.J. "Jim" Lane  
Vice Mayor Dennis Robbins  
Councilwoman Linda Milhaven
- STAFF:** Cindi Eberhardt, Economic Development Assistant Director  
Paul Katsenes, Executive Director Community & Economic  
Development/Planning & Neighborhood Administration  
Dave Meinhart, Transportation Director  
Ben Moriarity, Downtown Business Specialist  
Paul Porell, Traffic Engineering and Operations Manager  
Kelly Ward, Senior Assistant City Attorney
- GUESTS:** Bob Hazlett, Senior Engineer Maricopa Association of Governments  
Valerie LeBlanc, Places Consulting  
Jason Rose, Representative of Marshall Way
- PUBLIC:** Teresa Lewis  
Ace Bailey  
Dan Klinski  
Kraig Foote

### **Call to Order/Roll Call**

Mayor Lane called the regular meeting of the Council Subcommittee on Economic Development to order at 3:05 p.m. A formal roll call confirmed members present as stated above, noting the presence of a quorum.

### **1. Approval of June 28, 2012 Minutes**

**VICE MAYOR ROBBINS MOVED TO APPROVE THE MINUTES OF THE JUNE 28, 2012 MEETING OF THE COUNCIL SUBCOMMITTEE ON ECONOMIC DEVELOPMENT. COUNCILWOMAN MILHAVEN SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).**

## **2. Potential Loop 101 (Frank Lloyd Wright to Pima/Princess) Access Changes**

Paul Porell, Traffic Engineering and Operations Manager, introduced a new concept to address traffic problems along the Loop 101 freeway between the Pima/Princess interchange and the Frank Lloyd Wright interchange. Concerns about the efficiency of the Pima/Princess interchange continue, because previous proposals have all been too costly. More recently, the Maricopa Association of Governments (MAG) presented a more palatable alternative, a diverging diamond interchange (DDI). As part of this modification, staff recognized the opportunity to make related changes to the general access arrangements along that section of the freeway, and in the process provide better access to Tournament Players Club (TPC) and WestWorld.

Bob Hazlett, Senior Engineer with MAG, said the proposed improvements are being considered for the Regional Transportation Plan (RTP), the Freeway Lifecycle Program, and the Arterial Lifecycle Program. DDIs are a new design for Arizona, but they have been used successfully elsewhere. Pima/Princess is currently a diamond interchange, similar to most others used throughout the Valley. Heavy traffic movements during peak periods prompt a breakdown. The heaviest traffic generally flows to and from Pima Road on the north, to and from the Loop 101 on the south. Large directional flyover ramps were studied as a solution, but estimates started at about \$40 million for two of them.

The Arizona Department of Transportation (ADOT) is studying whether to use RTP funds to widen Loop 101 an extra lane in each direction. This prompted Scottsdale to take a fresh look at the problem. A DDI would require fewer modifications to the existing interchange, and would result in improved traffic flows. The first DDI was built in Versailles, France, and the Missouri Department of Transportation has been using them extensively. DDIs improve safety and simplify signalization by briefly switching traffic to the other side of the road, eliminating the need for vehicles to cross opposing traffic when entering the freeway. *Popular Science* gave the design a Best Innovation award in 2010.

Mr. Hazlett noted that DDIs prevent frontage roads from having through movement, but this can be solved by braiding traffic ramps, which will add to the cost, but still result in a considerably cheaper alternative to flyover ramps. If the ramps are reversed, they could provide better access at Bell Road instead of funneling all traffic to Frank Lloyd Wright. This will help separate event traffic from a heavily used commercial area of the city.

U-turn ramps at intersections would also help with traffic flow and dispersion. A study revealed that the proposed changes are possible within the existing right of way, and would improve the situation at Bell Road and FLW. The DDI and various related improvements would cost roughly \$24 million. ADOT is checking to see whether the proposal fits into their parameters, and early indications are that this is a good solution for this location.

Mayor Lane inquired whether the design addresses the difficulty of maneuvering from Pima Road to Bell Road. Mr. Hazlett confirmed that the use of braided ramps would allow entering traffic from Pima to pass over exiting traffic to Bell. Mayor Lane inquired whether MAG has allocated money for this type of improvement. Mr. Hazlett explained that these projects are always considered beyond the scope of the RTP, but MAG is trying to see if it can pay for this project out of savings from the freeway widening project.

Dave Meinhart, Transportation Director, said a similar situation was used to build a direct ramp connection into the University of Phoenix stadium area, which was not part of the original Prop 400 program. He noted that the DDI proposal would change the way some of businesses in the

area would access the freeway. Mr. Hazlett added that Scottsdale's event district is of regional significance, and this project would move event traffic directly onto the freeway, without getting on the frontage road first. This will clear traffic from the area more quickly, but some businesses could potentially be impacted by the change.

Vice Mayor Robbins inquired how the loop around the Airpark would be affected. Mr. Meinhart said this change could affect it, but he doubted it would be dramatic. Vice Mayor Robbins asked about the time frame for the project. Mr. Hazlett explained that the Loop 101 widening is scheduled in this area for 2021. If all the issues can be worked out, the DDI project could be constructed at the same time.

Mayor Lane asked whether these improvements would eliminate the need for extensive rerouting during big events at WestWorld. Mr. Porell responded that major events utilize access routes from both directions. The DDI would improve freeway access from the west along Bell Road, though it would likely not eliminate the need to send some traffic up Thompson Peak Parkway. Mayor Lane said the suggestions appear to be the solution to a number of issues, and as such should be referred to the full Council at some point.

### **3. Five-Year Tourism Development and Marketing Strategic Plan**

Steve Geiogamah, Tourism Development Coordinator, said the first of three planned phases of the Tourism Development and Marketing Strategic Plan is complete. The entire plan will be delivered in early December. It will identify the objectives and tactics that the Tourism Development Commission (TDC) and staff will use over the next five years.

Valerie LeBlanc, from PLACES Consulting, said a five-year plan is an important component of a successful tourism program. The plan is the result of input gathered from 150 tourism industry professionals. During the next six weeks, the consulting team will host a series of strategic planning meetings to identify where Scottsdale can make the biggest impact with the marketing money spent. The last deliverable on the strategic plan is due on December 3, 2012.

Mayor Lane said a major goal over the past few years has been to expand the Scottsdale experience to incorporate as many activities and points of interest as possible and to encourage visitors to extend their stay and use Scottsdale as a home base from which to explore the state. Ms. LeBlanc said Las Vegas was able to lay claim to the Grand Canyon by following a conscious strategy. Now it is time for Scottsdale to claim it back.

Vice Mayor Robbins asked about the outcomes of previous strategic plans. Mr. Geiogamah explained that the last strategic plan identified vision partnerships such as the one established with Sedona, as well as potential capital projects and temporal activities that were not realized because of funding issues. The new plan includes research that the TDC can use throughout the year. It will examine existing venues to see how they can be enhanced and built into the program of work.

Mayor Lane inquired whether the plan would evaluate recent proposals such as the Museum of the West, the Desert Discovery Center, the Tony Nelssen Equestrian Center (TNEC), and TPC investments to determine what their impact could be. Mr. Geiogamah responded that the consultants are constantly kept abreast of developments and staff hopes to receive some feedback on which projects are most promising. Ms. LeBlanc clarified that the consultants cannot provide economic feasibility information, but can identify the soft partners that exist in the

community that can strengthen the built environment. Having a specialty building like the TNEC that can cross over to other uses strengthens Scottsdale's position. Many destinations have generic multi-use facilities. TNEC, however, offers a specialty use of which there are very few, and it goes right to the heart of Scottsdale's character-of-place. The payback should be very strong, and Scottsdale should be able to hold onto events for a long time.

#### **4. Future of Marshall Way – "We are Marshall"**

Ben Moriarty, Downtown Specialist, stated that Marshall Way merchants have prioritized a list of projects they would like to see initiated. Jason Rose, representing Marshall Way merchants and property owners, said this effort grew out of concerns about declining business. Galleries want to ensure that the street is well positioned moving forward. Bentley Gallery, long a mainstay of the street, recently moved to downtown Phoenix. Rather than settling for a clichéd marketing campaign, Marshall Way wants to work with the City to become the most progressive art street in the country. If that can be done, the marketing can take care of itself. Marshall Way is offering aggressive, unconventional ideas, and the group has short, medium, and long-term plans they need the City's help on.

The deterioration of the Art Walk was due in part to bureaucratic hurdles associated with holding events there, as well as burdensome liquor laws. Marshall Way proposes creating a permanent special event zone that would not have to comply with all the usual rules and regulations, and allow event producers to use the street as an event venue unto itself. The street could also be designated as a public recreation area, like a park. This would help create a more permissive, but still responsible, environment regarding liquor laws, and would allow people to walk between galleries with a glass of wine in their hand. These simple changes would give Marshall Way a competitive advantage.

Mr. Rose said the insufficient lighting on Marshall Way has discouraged traffic at night. Mr. Moriarty explained that decorative lighting makes the downtown area a friendly place during the holiday season. The lighting contractor has already put up some of the holiday lighting on Marshall Way and Craftsman Court, and is analyzing possible improvements. Permanent lighting put up five years ago will soon have to be replaced because of deterioration by the elements.

Mr. Rose said great spaces create dynamic experiences. Without exceeding noise ordinance limitations, galleries request the ability to install outdoor speakers and to liberalize restrictions that prevent live music and street performances. These changes would make a more interesting street at very little cost. The City could issue a national RFP to make the marketplace aware of these improvements and get them to think about coming to Scottsdale. Mayor Lane suggested that tourism marketing money could be available to promote the area. Mr. Rose said staff has been very responsive, but Marshall Way wants to solicit City Council reactions to the proposals.

Mr. Rose stated that another idea is to relocate the Public Art Program onto Marshall Way. This would create a lot of energy and programming there, and cost little to implement. If WestWorld hires a special events promoter to attract business to the new facility, they could possibly spare some time to work on Marshall Way as well. A special art event could be developed that would recast Marshall Way and get people to think about it as a great arts street again. The City could liberalize the approval process for business and property owners who want to do something

unusual, like an animated wall, by routing those requests through Public Art, rather than the DRB. The City could also create a more significant entry point to the area, like Main Street has.

Mayor Lane proposed that public art could tie Marshall Way together with the galleries in the Main Street area. Commissioner Milhaven supported the efforts of the Marshall Way merchants and requested updates on developments. She inquired how Scottsdale's gallery community was faring compared to those in other destinations. Teresa Lewis said she has galleries in four different cities, but the one in Scottsdale is really struggling. The downtown area has much less foot traffic than it had years ago. Santa Fe activity, meanwhile, has remained robust.

Commissioner Milhaven felt that the proposals would definitely help, but not be enough without a marketing campaign that more clearly defines Scottsdale nationally as an arts and culture destination. Mayor Lane said the proposals seem reasonable and fairly low cost. He requested an outline prioritizing the changes that would have the greatest impact for the lowest political and financial cost. Mr. Rose felt that the public recreational district had the potential to be the most vibrant idea, though no single idea is the complete answer. The Marshall Way merchants want to know if City Council has any big objections to the concepts before pursuing them. Mayor Lane responded that City Council will want to know that the results will be worth the political capital they would have to expend.

Kraig Foote said he has had a gallery in the area for 19 years. When alcohol was allowed, Art Walk would attract up to 300 people per night, without issue. Once that practice stopped, traffic just dropped. Just six people showed up at his gallery during the last Art Walk.

## **5. Economic Development Report**

Cindi Eberhardt, Economic Development Assistant Director, reviewed the three remaining Subcommittee meetings this calendar year: Wednesday October 17, Thursday November 8, and Thursday December 13.

She reported that the sole respondent to the RFQ for the Western Museum will make a presentation before City Council on October 2 in a work study session. Phoenix Motor Company, a Mercedes Benz dealership, has announced their intention to locate in Scottsdale and they are seeking a conditional use permit. They plan to locate downtown right across from the Scottsdale Fashion Square, making a \$25 million investment in Scottsdale, and bringing 150 jobs. Development is expected to begin this fall.

Ms. Eberhardt said the City of Scottsdale continues to encourage the State Land Department to bring forward development in the north of Scottsdale. On May 15, 30 acres in Crossroads East were auctioned off to a single developer, and nine of them will become the future site of Bell Lexus of Scottsdale.

Ms. Eberhardt reported that staff continues to receive relocation prospects and are working with their direct contacts, along with the BREAD Prospect Report.

Ms. Eberhardt reported that daytime parking is still an issue in downtown Scottsdale. The City is working on a Request for Proposal (RFP) for a parking structure. Simultaneously, the Bond Task Force is being asked to consider a parking structure on their list of projects. Kelly Ward, Senior Assistant City Attorney, explained that the RFP would preserve the existing amount of

parking until a developer is ready to construct. The chosen developer is expected to construct a new project that incorporates a required quota of public parking.

**6. Open Call to the Public**

None.

**7. Future Agenda Items**

None.

**Adjournment**

With no further business before the Subcommittee, the meeting adjourned at 4:54 p.m.

Respectfully submitted,  
A/V Tronics, Inc. DBA AVTranz.